

# House Study Bill 721

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
WAYS AND MEANS BILL BY  
CHAIRPERSON VAN FOSSEN)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to the use of a certain transaction fee collected  
2 by the county recorder and providing for a future reduction in  
3 the amount of the fee.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
5 TLSB 6658HC 80  
6 sc/sh/8

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1 1 Section 1. Section 331.605C, Code Supplement 2003, is  
1 2 amended by striking the section and inserting in lieu thereof  
1 3 the following:  
1 4 331.605C ELECTRONIC TRANSACTION FEE == ALLOCATION.  
1 5 1. In addition to the fee collected under section 331.604,  
1 6 beginning July 1, 2004, and ending June 30, 2006, the recorder  
1 7 shall collect a fee of five dollars for each recorded  
1 8 transaction, regardless of the number of pages, for which a  
1 9 fee is paid pursuant to section 331.604, to be allocated as  
1 10 provided in subsection 3.  
1 11 2. Beginning July 1, 2006, a fee of three dollars shall be  
1 12 collected under this section for each recorded transaction,  
1 13 regardless of the number of pages, for which a fee is paid  
1 14 pursuant to section 331.604. The fee shall be allocated as  
1 15 provided in subsection 3, paragraphs "a" and "c" or "a" and  
1 16 "d", as applicable.  
1 17 3. The fee collected shall be allocated as follows:  
1 18 a. One dollar shall be deposited in the local government  
1 19 electronic transaction fund for the purposes set forth in  
1 20 subsection 5.  
1 21 b. For the period beginning July 1, 2004, and ending June  
1 22 30, 2006, two dollars shall be deposited in the county  
1 23 recorder's electronic transaction fund for the purpose of  
1 24 paying the county's ongoing costs of implementing electronic  
1 25 recording and electronic transactions in the county and  
1 26 developing a county internet website to provide electronic  
1 27 access to records and information and maintaining those  
1 28 systems.  
1 29 c. Two dollars shall be paid to the county treasurer for  
1 30 deposit in the local housing trust fund of the county where  
1 31 the fee is paid and shall be used to develop and preserve  
1 32 affordable housing for low-income persons in the county,  
1 33 including providing a local match for state funding pursuant  
1 34 to section 16.181.  
1 35 d. In lieu of paragraph "c", if a local housing trust fund  
2 1 has not been established in the county, two dollars shall be  
2 2 paid to the county treasurer for deposit in the general fund  
2 3 to be used solely to fund affordable housing efforts in the  
2 4 county.  
2 5 4. The county treasurer, on behalf of the recorder, shall  
2 6 establish and maintain a county recorder's electronic  
2 7 transaction fund into which all moneys collected pursuant to  
2 8 subsection 3, paragraph "b", shall be deposited. Interest  
2 9 earned on moneys deposited in this fund shall be computed  
2 10 based on the average monthly balance in the fund and shall be  
2 11 credited to the county recorder's electronic transaction fund.  
2 12 5. A local government electronic transaction fund is  
2 13 established in the office of the treasurer of state under the  
2 14 control of the treasurer of state. Moneys deposited into the  
2 15 fund are not subject to section 8.33. Notwithstanding section  
2 16 12C.7, interest or earnings on moneys in the local government  
2 17 electronic transaction fund shall be credited to the fund.  
2 18 Moneys in the local government electronic transaction fund are  
2 19 not subject to transfer, appropriation, or reversion to any  
2 20 other fund, or any other use except as provided in this  
2 21 subsection. On a monthly basis, the county treasurer shall

2 22 pay the fees collected pursuant to subsection 3, paragraph  
2 23 "a", to the treasurer of state for deposit into the local  
2 24 government electronic transaction fund. Moneys credited to  
2 25 the local government electronic transaction fund are  
2 26 appropriated to the treasurer of state to be used for the  
2 27 purpose of paying the ongoing costs of developing and  
2 28 maintaining statewide internet websites to provide electronic  
2 29 access to records and information recorded or filed with  
2 30 county recorders.

2 31 6. For purposes of this section, "local housing trust  
2 32 fund" is a fund established by an entity whose governing board  
2 33 is recognized by the city, county, council of governments, or  
2 34 regional officials as the board responsible for coordinating  
2 35 local housing programs.

3 1 EXPLANATION

3 2 Currently, Code section 331.605C provides that beginning on  
3 3 July 1, 2004, the additional fee collected by the county  
3 4 recorder on instruments filed or recorded with the recorder's  
3 5 office shall be reduced from \$5 to \$1. This bill retains the  
3 6 \$5 fee until June 30, 2006, and requires that it be allocated  
3 7 as follows:

3 8 1. One dollar shall be deposited in the local government  
3 9 electronic transaction fund under control of the treasurer of  
3 10 state for paying the ongoing costs of developing and  
3 11 maintaining statewide internet websites to provide electronic  
3 12 access to records and information recorded or filed with  
3 13 county recorders.

3 14 2. Two dollars shall be deposited in the county recorder's  
3 15 electronic transaction fund for the purpose of paying the  
3 16 county's ongoing costs of developing, implementing, and  
3 17 maintaining the electronic recording and transaction system in  
3 18 the county and the county internet website.

3 19 3. Two dollars shall be deposited in the local housing  
3 20 trust fund of the county where the fee is paid and shall be  
3 21 used to develop and preserve affordable housing for low-income  
3 22 persons in the county and for providing local matching funds  
3 23 for receipt of state housing trust funds moneys. The bill  
3 24 provides that if a local housing trust fund has not been  
3 25 established in the county, the \$2 shall be deposited in the  
3 26 general fund for purposes of funding affordable housing  
3 27 efforts in the county.

3 28 The bill provides that, beginning July 1, 2006, the fee  
3 29 will be \$3. One dollar of the fee will be deposited in the  
3 30 local government electronic transaction fund for the purposes  
3 31 set forth in the bill and \$2 will be deposited in the local  
3 32 housing trust fund, or to the general fund of the county if  
3 33 there is no local housing trust fund, for the purposes set  
3 34 forth in the bill.

3 35 LSB 6658HC 80

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